



ZdravReform/ЗдравРеформ

**Legal Support to Health Reforms in
Central Asian Republics
1994 - 1999**

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INTRODUCTION

This paper highlights the activities of ZdravReform in support of legal, regulatory and policy changes in health care. These activities included but were not limited to: monitoring the activities of state bodies with authority to change the environment for health reforms; providing technical legal and policy advice to health officials in the process of drafting; and amending laws and regulations, and providing legal assistance to experimental primary care entities.

The following points outline the main characteristics of the broader legal/regulatory environment for health care in the four countries:

1. A number of laws and regulations still reflect the old style Soviet policy thinking about health.
2. Often there is lack of conditions for implementation of new progressive laws and regulations.
3. Often regulations are adopted or laws amended to fix short-term problems. The usual results of this approach are non-artfully drafted documents contradicting other laws and regulations.
4. Shortage of health officials (decision-makers) and lawyers with training and experience in health law, health policy, and economic aspects of health care.
5. Lack of long-term health policy consideration and lack of understanding of the long-term goals of health reforms when drafting laws and regulations.

In many cases, reasonable regulations to support rational reforms have been produced as a result of substantial cuts in the state funding for the health sector which has pushed governments and parliaments to seek adequate measures to restore the sustainability of health care. In other cases, positive changes have been forced under provisions of World Bank loans to individual countries. In the rare instance, positive changes in health care have come as a result of the understanding and support of high-level government officials for complex, gradual, and rational health reforms.

KAZAKHSTAN

Environment for Health Reforms

The path of Kazakhstan toward health reforms has been far from straightforward and perhaps the most unpredictable path in the health area in Central Asia. Over a period of four years, Kazakhstan has gone from no reform to gradual but limited reforms, then to a head over heels rush to reforms, then to a slowdown and finally a complete turnaround with the abolishment of key components in the institutional structure for health care. Therefore, one of the main areas of work for the ZdravReform legal team has been the monitoring of the development of the overall legal and regulatory environment for health in order to either provide an early warning of changing course of health care or to explain the legal and regulatory chaos in which health care has been thrown so many times over the past four years. The legal team has also been providing technical assistance to health officials in the drafting of new and the amending of existing laws and regulations. Continuous legal assistance has been provided to heads and managers of experimental primary care entities in Semipalatinsk and Zhezkazgan in key areas of operation.

Monitoring the Development of the Legal and Regulatory Environment for Health

This has been one of the key directions of work of the ZdravReform legal team. Monitoring and evaluating the legal environment has provided information important for the decision making process at ZdravReform. A number of general reports were produced to provide the program staff, as well as counterparts, and other donor programs with an updated overview of the legal/regulatory framework in main areas of health care. Recipients of these reports have found them very helpful in clarifying the complexities of changes in health care and successfully managing the various risks associated with them.

General Laws in the Health Area - Description and Contribution

Two main health laws have been enacted since 1995 - the new law "On Health Protection of Citizens" (HPC) of 19 May 1997; and the presidential edict with the power of law of 15 June 1995 "On Health Insurance of Citizens" (HIC). The latter law was repealed on January 1, 1999.

1. HPC is the main law in the health sector. It outlines the rights and duties of all stakeholders in health care - the state, citizens, providers of services, and insurers. Compared to the old law on health protection, HPC provided certain autonomy of providers, stronger patient rights, and choice of providers. However, it failed to: a) separate the purchaser from the provider; b) establish a single payer for health services; c) combine the health purchasing responsibility with the authority to restructure the health delivery system; and d) allow a sufficient level of management autonomy which would enable providers to adequately respond to the new incentive-based payment methods and increased competition.

By request from the working group drafting the HPC, ZdravReform provided comments to the draft. Subsequent important amendments to the HPC were enacted in December of 1998. The Committee on Health (CH) together with ZdravReform drafted the amendments. ZdravReform legal team also provided assistance to the CH in lobbying the government and parliamentarians to back up the proposed amendments, most of which were in the key area of health financing. The amendments laid the ground for the introduction of:

- New provider payment systems defined as capitated rate in primary care
- Fee schedules in polyclinics and ambulatories
- Case-based system in hospitals.

Introduction of user fees and the implementation of fund-holding in the future

The amendments are among the most significant achievements of health reforms to date.

2. HIC established the mandatory health insurance system. ZdravReform provided comments to the first draft of the HIC. The mandatory health insurance system, which was abolished in 1999, was run by the Mandatory Health Insurance Fund (MHIF), a state non-profit organization subordinated to the Prime Minister. The MHIF was responsible for accumulating insurance funds and payment for health services provided under the so called "basic mandatory health insurance program" (basic benefit package defined as "the unified volume of services provided to all insured"). The MHIF contracted with the providers to deliver a defined package of services for which providers receive MHI funding. For instance, in the experimental oblasts of Zhezkazgan and Semipalatinsk, this was determined as a case-based payment for hospitals, fee schedule for polyclinics, and capitated rate in primary care. In the beginning of 1999, the HIC was repealed and the mandatory health insurance system

was abolished.

Legal Framework of the Institutional Structure for Health

The main changes in the institutional structure for health are marked by the following events:

- Introduction of mandatory health insurance and the establishment of the MHIF;
- Abolishment of mandatory health insurance and the transformation of the MHIF into a Center for Health Purchasing (CHP);
- Reorganization of the Ministry of Health into a Committee on Health, part of the Ministry of Health Education and Sport (MHES).

Mandatory Health Insurance and the MHIF

Under the MHI system, insurance premiums for the working population were the responsibility of employers, while the premiums for the non-working population were the responsibility of the oblast budget. In violation of the HIC, payments from the MHIF to providers were often delayed and/or reduced below the contractual amount as a result of the failure of local administrations to pay the insurance premiums for the non-working population. Since the health providers were owned by local administrations, the MHIF in turn was refusing to pay penalties for late or reduced payments to providers. The biggest losers in this permanent conflict were health providers and patients.

The MHIF was not the sole payer of providers. The health system was burdened by two payers. The other payer was the Ministry of Health (MOH) whose oblast departments using state/oblast budget funds were responsible for paying providers for services delivered under the so called guaranteed package of free health benefits. Budget funds from the MOH were given to providers split into accounting chapters, thus forcing them to spend funds only on the purposes required by these chapters such as food, drugs, salaries etc. This was basically the old Soviet type of funding providing disincentives to efficient use of funds. Funds from the MHIF, however, were coming free of chapters allowing providers to use them according to their needs determined by the incentives in the provider payment systems. The ability to provide chapterless funding was the direct result of the status of the MHIF established as an off-budget institution collecting its funds out of the budget and therefore allowed not to use its funds by chapters. Chapterless MHI funding allowed providers to have greater management autonomy which enabled them to improve their response to the incentives implanted in the MHI provider payment systems. In addition, the MHI funding was much more adequate as a volume and was coming much more regularly to providers than that from the MOH.

Following the advice of the International Monetary Funds to consolidate off-budget funds into the state budget, Kazakhstan abolished the mandatory health insurance system in the beginning of 1999. An amendment to the HPC of December 1998 mandated the establishment of the CHP as an entity responsible for the reimbursement of providers' expenses. Under government decrees No. 70 and 1387, and MHES order No. 38, both adopted in implementation of the amended HPC, the MHIF was reorganized into CHP within the MHES. The responsibilities of the CHP are to analyze and evaluate the quality of services provided to citizens; to develop the market for health services; and to reimburse providers of services under the system for state procurement of health services

called “GosZakaz.”¹ ZdravReform provided comments to the by-laws of the MHIF and later to the by-laws of the CHP to better define their responsibilities and policy roles as payers. ZdravReform has also been providing comments to the packages of benefits paid for by the MHIF. ZdravReform continues to provide on-going legal support to the CHP in its struggle against a possible dissolution.

Reorganization of the Ministry of Health

In implementation of a presidential decree targeted at reducing the size of government, the Ministry of Health was reorganized into a Committee on Health (CH) within the new Ministry of Culture, Education, and Health (this ministry was reorganized later into Ministry of Health, Education, and Sports (MHES)). The CH retained the basic administrative structure and articles of budget of the Ministry of Health. Oblast Departments of Health, however, were not merged with Oblast Departments of Culture and Education. This reorganization had a tremendous impact on the ability of the CH to conduct independent policy and regulatory work within the government and made the process of health reforms a tool for personal vendetta, political intrigues, and propaganda.

Privatization

Kazakhstan is the only Central Asian country which attempted to implement a large-scale privatization of health facilities. The privatization begun in the first half of 1996 with only a handful of facilities privatized by the end of that year. In January 1997, the government adopted a program for privatization of social objects which included a list of 615 health care facilities to be privatized in 1997. This was roughly 8% of the more than 8,000 state owned health facilities.

The regulations on privatization of health facilities were complicated, confusing, and controversial with different authorities adopting contradicting regulations. After reviewing and analyzing the regulations, ZdravReform prepared a report highlighting their interrelationship, shortages, and contradictions. The report was disseminated to high-level health officials and contributed to the suspension of the privatization of health facilities for more than two years.

Recently, some oblasts have resumed the privatization of health facilities. Strapped for cash oblast administrations are now willing to fund only the most essential social objects while selling the rest. In an attempt to put this process on a more socially responsible path, the CH turned to ZdravReform for assistance in the preparation of a new program for privatization of health facilities. ZdravReform drafted the concept of the program and is ready to provide assistance to its implementation after it has been adopted.

Legal Support to Experimental Primary Care Facilities in Zhezkazgan and

¹ GosZakaz is a system for state procurement of health services regulated by government decrees No. 737 and 1314 MHES order No. 73, Ministry of Finance orders No. 50 and 63. The types of services to be procured under GosZakaz are divided into services on National and Local Levels (oblast, city or rayon level). What is left out of GosZakaz are state owned institutions on National and Oblast Levels. The drafters of the decree have divided all state needs for health services into ones that have to be satisfied through a system for procurement of services - GosZakaz and others that should be provided by certain institutions without procurement. The ground on which Institutions and GosZakaz are divided is type of funding. While institutions on both national and oblast levels receive fixed budgets, entities that provide services under GosZakaz are funded based on the number/type of services provided.

Semipalatinsk

ZdravReform has been providing legal assistance to the experimental primary care entities and the associations of family physicians in the areas of incorporation, taxation, and labor relations. ZdravReform's comprehensive analysis of laws on corporations and regulations on incorporation enabled heads of private facilities to make informed decisions of how to incorporate. The link between incorporation, corporate activities, and taxation was thoroughly analyzed to provide answers to such important private practitioners' questions as to whether a health facility could be treated as a not-for-profit corporation for tax purposes. All analyses were disseminated to private practitioners, managers and health officials and proved to be of great practical help to them.

Issues relating to labor relations have been addressed over the past several months in a separate analytical paper written in response to serious labor issues raised in the beginning of administrative rationalization of primary health facilities in Semipalatinsk. Staff layoffs and the legal duties of employers in this process, opportunities within the law to exercise greater flexibility and other important issues have been addressed in the paper. ZdravReform also organized a seminar on these issues in Semipalatinsk. The participants in the seminar and the recipients of the paper, health workers in Semipalatinsk and Zhezkazgan, requested ZdravReform to conduct regular seminars in the future not only on labor, but also on other legal issues raised in the process of reforms such as contractual relations between payers and providers, rights of providers, patients' rights etc.

Assistance to the Drafting of Special Health Laws and Regulations

ZdravReform has been providing technical assistance to the policy, legal, and regulatory process in such areas as: recurrent tuberculosis problem, pharmaceuticals, health benefits, and user fees.

Two laws on TB have been drafted since 1996 - the law "On Tuberculosis" and the law "On Compulsory Treatment of Patients with Contagious Tuberculosis." The first draft law had a very weak conceptual base and was expected to introduce more confusion in the TB area than provide structure and regulation. Its numerous shortages were highlighted in ZdravReform comments on the draft written upon request from the drafters. A copy of the comments was also provided to the WHO. The WHO strongly backed up the comments and put pressure on health authorities to abandon their legislative initiative. The second draft, which had a better policy ground, has been revised following a ZdravReform review and comments. The completion of the revision, however, has been substantially delayed as a result of major changes in the leadership of the TB institute responsible for the preparation of the draft.

ZdravReform has also provided assistance in the amendments to the presidential edict "On Pharmaceuticals." This edict, enacted in 1995, is no longer an effective regulatory tool in the fast changing area of pharmaceuticals. ZdravReform has discussed with the head of the CH and the head of the CH department of pharmaceuticals future steps in the drafting of amendments to the edict. A working group, including representatives from ZdravReform, is expected to be established by the Head of the CH before the end of the year and

will then begin working on the draft.

ZdravReform has also been actively involved in the process of drafting packages of health benefits and regulation on user fees. ZdravReform's participation has been in the form of either drafting such regulations by request from the CH or by providing comments to proposed drafts. A government decree on user fees is being drafted with the technical assistance of ZdravReform. It should be noted that ZdravReform proposals in the packages of benefits are not always taken into account as political pressure and interests of individual officials as well as old Soviet "social reasoning" prevail sometimes over the logic of substantive arguments and reality checks.

Other special laws and regulations in which the CH has requested the assistance of ZdravReform include: improvement in the system of GosZakaz, drafting regulations on nationwide free enrollment of patients in primary care, restricting advertisement of alcohol and tobacco; and donation of body parts and tissue.

Kyrgyzstan

Environment for Health Reforms

Many international health experts have recognized the health reforms in Kyrgyzstan as the most advanced in the NIS. The successful introduction of: new primary care entities, population enrollment, new health management information systems, new provider payment systems, new treatment protocols, new mechanisms for quality control, and a viable health insurance system have all contributed to this recognition. The legal assistance provided by ZdravReform to this country's health reforms influenced all major health laws and regulations in each of the above mentioned areas.

Kyrgyzstan has had a more stable and predictable development of the environment for health reforms compared to that in Kazakhstan. Thus evaluating the impact of possible changes has become part of a broad process in which health authorities and ZdravReform experts have cooperated. As a result of this cooperation, the overwhelming majority of changes have been leading health reforms in the right direction. Legal efforts in Kyrgyzstan have been focused mainly on providing assistance to health officials in the setting of health policy and in the drafting of new health laws and regulations; and amending current health laws and regulations. Another major recipient of assistance has been the family group practices, family physicians, and managers whose efforts to deal with legal issues in such areas as incorporation, labor relations, management, and financing, have been supported by the ZdravReform legal team.

Areas of Legal Support

Assistance to the drafting/amending of laws and regulations

Laws:

- The current law "On Health Protection of Citizens" is old and outdated and constitutes a serious impediment to the continuation of health reforms. The concept and first draft of a new law on health protection was prepared with the active involvement of ZdravReform lawyers. After a thorough review of the first draft, ZdravReform proposed additional changes which were intended to strengthen the structure of the law and to improve its expected effect in the areas of health care financing, restructuring of available capacity,

and the role of private providers in health care. The first draft is currently under revision facilitated by ZdravReform lawyers.

- The new law “On Health Insurance of Citizens” was prepared with the participation of ZdravReform lawyers and technical experts. The draft law was approved by the government and brought before the Parliament. The Parliament, however, has not passed it yet. If adopted, the law will: eliminate conflicts between health insurance and social security; provide a better definition of the place and role of the MHIF within the health insurance system; and provide definitions of terms.

Government Decrees:

- The conceptual plan and all operating regulations for implementation of mandatory health insurance, approved by a government decree, was drafted by a working group which included ZdravReform lawyers.
- The decree “On Reinvesting of Savings Realized in the Process of Health Reforms” established a mechanism which channels funds saved in health to develop primary care, to purchase drugs, and to provide incentives to health workers.
- “On Changes in the Financing Methods of Health Institutions” The main purpose of this draft decree is to ensure that local administrations will pool budget funds on the oblast level and will finance health facilities as follows: capitation rate in primary and secondary care and case-based payment in general, maternity, and pediatric hospitals. The decree is being drafted with the legal and technical support of ZdravReform.

Comments Provided to Draft Documents on National Level

Comments were provided to the following regulations of various juridical power: regulations on amended financing, rules on enrollment in primary care; new rules for MHI payment of hospitals; on quality management of health facilities working under contract with the MHIF; on guaranteed by-the-state packages of health benefits; on penalties on providers working under the rules of the MHI system; on national coordination council on health reforms and MHI (including by-laws of the council); and on shared use of national computer systems. In addition, ZdravReform has been participating in work done for the last year on development of new clinical protocols for primary care.

Assistance to Local Government, Health Facilities and Associations

Such assistance was provided through participation in the drafting of regulations or providing comments to first drafts of regulations concerning the rights and responsibilities, functions, subordination and other important elements defining the status of FGPs and multi-profile polyclinics. Assistance was also provided to the preparation of draft regulations concerning the status of FGP clinical head, doctors, nurses, and managers.

In response to the newly changed requirements to non-profit corporations in the law on public corporations, new by-laws were prepared for the Association of Family Physicians to reincorporate as an association of juridical persons rather than as a public corporation. By-laws of its local affiliates are currently being drafted by ZdravReform lawyers.

Assistance was also provided to the preparation of the by-laws of the

Association of Hospitals and to the structural reorganization of the Department for Coordination and Implementation of the MANAS Program, including but not limited to the preparation of operational rules for the legal and management departments as well as the establishment of a tender committee.

Legal Assistance to the Continuing National Health Policy Dialog

ZdravReform has been actively participating in the continuous dialog between health and other government officials working on the abolishment of legal/regulatory and technical impediments to health reforms. The latest chapter in this on-going process is the recently started formal discussion among the Ministry of Finance and Ministry of Health officials and ZdravReform legal and technical experts which is expected to produce a plan for the abolishment of regulatory impediments to incentive based health financing and pooling of health funds on oblast level. These current impediments are the chapter-based funding of providers from the state/local budget and the random pooling of health funds at oblast, city, rayon, and rural levels. ZdravReform's initial contribution to this dialog was a paper presenting a background on and a discussion of the problems and proposing possible solutions.

Uzbekistan

Environment for Health Reforms

The current legal/regulatory environment for health care in Uzbekistan is expected to change significantly as a result of the Presidential edict of 10 November 1998 which adopted the "National Program for Reform of the Health System of Uzbekistan." The edict mandates the drafting or amending of more than 40 laws and regulations in the areas of health financing, health insurance, pharmaceuticals and pharmacies, privatization of health facilities, and packages of health benefits.

The legal and regulatory changes in support of reforms in primary care, which are the main focus of ZdravReform activities, have been very slow - one of the results of social and political environment not supportive of reforms. "Wait-and-see where Kazakhstan and Kyrgyzstan are going to fail in their reforms" has been the favorite posture of Uzbeks. Another factor contributing to the slow progress of reforms has been the Uzbeks' insistence to have their reforms done in their own "unique" way. This often makes them overly protective of the elements of the old health system especially of the legal and regulatory environment guarding the elements of this system. It is worth mentioning that compared to Kazakhstan, Uzbekistan has more problems with existing conflicts of laws and regulations and with implementation of laws and regulations.

Similar to Kazakhstan, the specifics of the environment for health reforms in Uzbekistan requires monitoring and evaluation of on-going and expected policy, legal, and regulatory processes in health care. A considerable part of the legal work to date has been in support of World Bank missions on health reforms. ZdravReform analytical papers, comments and recommendations on laws and regulations have provided World Bank officials with tools for understanding the specifics of the environment for health care and have drawn their attention to key issues demanding prompt action in order to preserve the progress of reforms. ZdravReform has also: suggested amendments to current laws and regulations, commented on draft laws and regulations, and assisted health administrators and

officials and primary care entities and associations of physicians.

Areas of Legal Support

Review and Analysis of Current Laws and Regulations

In preparation for the beginning of the World Bank and USAID supported health reform project, ZdravReform reviewed and analyzed key health and general laws and regulations. The analysis highlighted existing and potential impediments to reforms and recommended amendments to problematic provisions. The following laws and regulations were reviewed and analyzed:

Laws:

- “On Health Protection” of 29 August 1996;
- “On Incentives to the Development of Small and Private Entrepreneurship” of 21 December 1995; Tax Code of 24 April 1997;
- and Civil Code of 29 August 1996.

Regulations:

- Cabinet of Ministers Decree "On Private Practice of Medical Professionals" of 21 June 1994.
- Cabinet of Ministers decree “On Improving the Realization of Pharmaceuticals and Medical Products” of 14 January 1999 which set the ground for new changes in the regulatory base for import, wholesale, and retail of pharmaceuticals and medical products.
- Cabinet of Ministers ordinance No. 63-of of 12 February 1999 entitled “Interim Regulations on Conducting Tenders for Purchase of Pharmaceuticals and Medical Products for State Purposes” adopted in implementation of a part of the decree of 14 January.
- Temporary Regulation No 640 of 18 February 1999 “On Purchase of Pharmaceuticals and Medical Products for Hospitals” adopted jointly by the MOH and the Ministry of Finance.

By request from the World Bank team, ZdravReform prepared a model for solving legal problems in health care.

Assisting the Drafting of Laws and Regulations

By request from counterparts ZdravReform reviewed and commented on the following draft laws and regulations:

- Draft law “On Psychiatric Care,” this draft has not yet been reviewed by the parliament;
- Government decree “On Implementation of Primary Care Reform Project in Fergana Oblast” No. 100 of 5 March 1999, which introduced capitated financing of experimental facilities. Most ZdravReform comments on numerous previous drafts of this decree were taken into account in the final version. One serious shortage, however, remained and it could render the capitated financing very difficult to implement - a provision that primary care facilities should be financed through a chapter budget. ZdravReform and the World Bank are currently working with Ministry of Finance officials to overcome this serious problem.
- Regulations on procurement of drugs A MOH order “On Implementation of Reforms in the Primary Care System of Fergana Oblast” No. 169 of March 16,

1999 provides that experimental health care facilities are allowed to purchase drugs not only from state owned but also from private pharmacies.

Legal Support to Experimental Facilities and the Association of Physicians

Assistance with the Preparation of SVP By-laws.

Although a government directive for the incorporation of SVPs was issued in mid 1998, the slow motion of health officials did not produce results until the spring of 1999 when the SVPs were finally incorporated. ZdravReform provided several alternative draft by-laws to MOH officials responsible for the preparation of the by-laws.

Assistance through Seminars on Legal Issues.

By request from counterparts, ZdravReform organized seminars on general legal issues in health reforms in primary health care. The seminar was delivered to health reform coordinators and SVP finance managers. Seminars on key labor issues in experimental health facilities are currently being prepared to be delivered to MOH officials, SVP head doctors and finance managers.

Assistance to the Formulation of Long-Term National Health Policy

The Presidential Edict of 10 November 1998 required various state bodies to produce new or amend current laws and regulations. However, Uzbeks have no experience in formulating and implementing health policy in support of current and future reforms. There is not even a vision of how health care should develop in medium and long run so that laws and regulations could be designed in support of such vision. Although most of the upcoming legal/regulatory changes are not going to affect reforms in primary care, efforts are needed to support the broad legal/regulatory reforms. Providing support to the process now could ensure smoother health reforms in the future. ZdravReform has started investigating the needs of the parties involved in this process and how effective support could be provided using currently available resources. Contacts with the coordination bureau in charge of the implementation of the edict of 10 November have been established and meetings with groups working on various draft laws and regulations will be held in late September.

Tajikistan

Environment for Health Reforms

The health sector of Tajikistan, a country until recently torn by a civil war, suffers from many of the shortages pertaining to other NIS countries, is making marginal efforts to improve their health delivery systems. Despite that, Tajikistan seems to have come closer to formulating and implementing health reforms. There are several reasons for cautious optimism about the future of health reforms. First, the state funds less than 10% of the health needs of the population. The mismatch between needs and available resources has put strong pressure on health and finance authorities to improve the efficiency and effectiveness of the health sector. Second, authorities understand and agree in principle with what should be the major steps in health reforms. They, however, have little understanding of the smaller intermediate steps in this process and have little knowledge of how to implement all steps - major and small. Third, there is already a government directive to develop and implement capitation funding of health care.

Areas of Legal Support

ZdravReform's involvement in Tajikistan has been mainly within the framework of the World Bank loan preparation missions in support of reforms in primary care. The ZdravReform task within the last World Bank mission was to review the legislative framework underpinning the setting of health budgets and the flow of funds for health care to determine what flexibility is available within the legal structure to alter funding mechanisms, and what modification, if any, might be necessary to increase this flexibility. Apart from the World Bank mission, USAID and ZdravReform were interested in exploring whether the broader legal and regulatory environment was permissive for extension of small-scale technical assistance to this country. Therefore, the ZdravReform scope of work was effectively expanded to include other key areas for health reforms such as the institutional structure for health, types and functions of providers, benefits and services, rationalization of health facilities, privatization, management autonomy, and referral practices.

The report produced by the ZdravReform lawyer at the end of the mission was highly praised by the World Bank and many of its recommendations became recommendations of the Aide Memoir. Under the provisions of a WB-IMF agreement, the recommendations will automatically become a part of the prerequisites to future IMF loans to Tajikistan. Meetings held during the mission revealed the strong interest of health officials of various levels in possible technical assistance from USAID/ZdravReform. These officials were well aware of the progress of ZdravReform supported health reforms in Kyrgyzstan, whose model of reforms they were eager to adopt.

Talks between ZdravReform and USAID/Almaty and Tajikistan revealed that opening a small ZdravReform office in Dushanbe is undesirable at the moment mainly for security reasons. However, USAID encouraged ZdravReform's proposal to continue, to the extent possible, to build relationships with health officials in Tajikistan and to continue its cooperation with the World Bank in expectation of an environment more permissive for a larger level of effort in the country.